

CITY OF TORONTO  
PLANNING AND DEVELOPMENT DEPARTMENT

and

CITY OF TORONTO  
NON-PROFIT HOUSING CORPORATION

**Pilot Flophouse Project, Toronto, 1980**

333/06342  
P&R(Policy)  
May 30, 1980

To: City of Toronto Executive Committee

Subject: Pilot Flophouse Project - 349 George Street.

Origin: Commissioner of Housing and Commissioner of Planning and  
Development (c71exec80115:109)

Background:

On December 5, 1977, City Council adopted Clause 14, entitled "Report on Skid Row", in Report No. 22 of the Committee on Neighbourhoods, Housing, Fire and Legislation. One of the subjects examined in this report was the role of the private flophouse in providing accommodation to the skid row population. It concluded that privately operated flophouses provided "an important housing resource for a portion of the skid row population ..." supplying "... inexpensive accommodation, flexibility of tenure, the opportunity for social interaction, rudimentary meal service, and the freedom to consume alcohol on the premises".

The report went on to state:

"The flophouse should be considered the most basic type of accommodation for those skid row men who wish to maintain their present lifestyle without losing their independence ..."

Pointing out the rapid decline in the number of flophouses in the eastern downtown area of the City, the report suggested that it may,

"... be desirable for the City to purchase and renovate, to necessary standards, these properties, while leaving their day-to-day operation as flophouses as much as possible in the hands of independent operators ..."

By combining City ownership, renovations and maintenance with independent operations, it is possible that this unique type of accommodation can continue to meet the needs of many skid row men."

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Acting on the recommendation of this report, Council established the Sub-Committee on Skid Row which subsequently requested the "Commissioner of Housing, in conjunction with appropriate City officials, to report on the status of skid row housing including:

1. The status of negotiations with CMHC to obtain funding;
2. A proposal for the operation of a prototypical flophouse by the City; and
3. Changes in City Housing Policy and the structure of the Housing Department to allow effective intervention in skid row housing."

In response to this request, the Commissioner of Housing examined the feasibility of purchasing and renovating a number of flophouses. However, the cost of bringing these houses up to building and health code standards proved prohibitive.

#### 349 George Street - Emergency Shelter

On February 14, 1977, City Council adopted the report from the Commissioner of Housing (Clause 12, of Executive Committee Report 7) entitled "Proposed Exchange of City-owned Land for Premises 349 George Street" recommending that the City acquire the former schoolhouse owned by the Board of Education at 349 George Street in lieu of receiving payment from the Board of Education for City-owned land on Perth Avenue and Antler Street. The report stated that Canada Mortgage and Housing Corporation was unwilling to fund the acquisition of 349 George Street because the site was small and parking or outdoor amenity space could not be provided, the location was too close to Seaton House and the projected economic rents were too high. The City deemed the land exchange to be advantageous because the City no longer required the property on Perth Avenue; 349 George Street being located very close to the core area had a considerably higher land value than the Perth Avenue and Antler Street area and 349 George Street was situated in an area where a shortage of accommodation for the "skid row" population were foreseeable.

On March 13, 1978, City Council adopted the report from the Commissioner of Housing (Clause 27, of Executive Committee Report 11) entitled "Pilot Project - 349 George Street". The report discussed the suitability of the schoolhouse soon to be acquired by the City at 349 George Street for a "pilot project for use as a flophouse", rather than acquiring an existing flophouse. The main reasons were as follows:

1. There was less risk in that it was already under City ownership and no outlays were required for acquisition.

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2. It was vacant, therefore, there was no relocation problems.
3. It was heavily built (reinforced concrete walls and floor) and, as a result, maintenance costs should be much lower.
4. It was located next to Seaton House.
5. The costs to rehabilitate and bring on stream, estimated at \$30,000, were comparable to any one of the existing flophouses in the area.
6. Existing houses presented more zoning and housing standards problems.
7. The estimated break even rents at the schoolhouse were considerably lower than any of the existing flophouses.

The report also stated that Canada Mortgage and Housing Corporation had advised that they would consider capital funding for the pilot flophouse project subject to the submission of a formal application for funding. Metro and the Province indicated that no operating subsidies were available.

Canada Mortgage and Housing Corporation agreed to provide a grant of up to \$42,700 to bring 349 George Street to the minimum standards for operation as an emergency shelter. In October 1978, City Council arranged to lease 349 George Street to the City of Toronto Non-Profit Housing Corporation to manage for a one year period for one dollar per year, but in February 1979, Council rescinded this action because of questions about the flophouse fitting into the use category of the Zoning By-law and if such a facility was operated by the City of Toronto the property would be tax exempt. The City of Toronto Non-Profit Housing Corporation could not receive this benefit.

The February report from the Commissioner of Housing (Clause 17, of Executive Committee Report 12 as amended) recommended that the City prepare and enter into a management contract for the operation of 349 George Street as an emergency shelter for a one year period.

On August 20, 1979, Council adopted a report from the Commissioner of Housing (Clause 74, of Executive Committee Report 42 as amended) entitled "Operating Budget and Manager for the Flophouse at 349 George Street", recommending acceptance of the proposal from Mr. Arthur Jones for the management of the flophouse. Council approved a financial contribution of \$21,003 for the one year test period to offset projected operating deficits. The first tenants moved in early in October 1979.

Objectives of the Pilot Flophouse Project

A number of basic assumptions as to the need for and value and characteristics of this type of accommodation can be summarized as follows:

1. A large number of men experiencing either sporadic or chronic financial and/or social and emotional problems require basic, inexpensive housing. These men have few financial or social resources or supports, a high level of residential mobility, irregular or casual employment and often experience emotional and alcohol related problems.
2. The provisions of safe, clean, quiet and inexpensive accommodation with showers, soap and towels, but without rehabilitative or treatment services would be, in itself, beneficial to the physical and mental health of this group of men whose hand-to-mouth existence is stressful and not conducive to well-being. A large number of both government and private agencies currently provide an array of counselling, treatment and rehabilitative services for those men who wish to take advantage of this help.
3. Rooms and apartments require prepaid rent and regular incomes. As a result, many men with small and prevarious incomes find them impractical housing options. They require accommodation which can be rented by the night.
4. Although there are institutionally-operated facilities which provide inexpensive or free accommodation on a nightly basis, many men resent the rules and regulations which institutions must, of necessity, impose. By providing accommodation with few restrictions and a minimum of external control - for example, by allowing alcohol to be consumed on the premises as long as it does not disrupt the operations of the house - independence, self-sufficiency and self-respect can be encouraged.
5. A flophouse facility can act as a stabilizing agent and possibly prevent or hinder the downward mobility of those men who find themselves in need of temporary or emergency accommodations as a result of unemployment or other adversity. Similarly, it can assist men in reordering their lives as, for example, after a period of heavy drinking.
6. Given the wide range of circumstances which can precipitate a move into this type of accommodations, it would not be useful to impose restrictions on the length of stay. Longer term resident would add a measure of stability and continuity to

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its operation and contribute to the creation of a favourable social environment.

### Evaluation

#### Physical Setting

The flophouse consists of 36 beds distributed in three large doorless rooms on the ground floor of an old two-storey schoolhouse at 349 George Street next to Seaton House Toronto Men's Hostel which is operated by Metro Social Services.

The manager's office is centrally located near the entrance and offers a view of the entire main floor. The basement contains a common room spartanly furnished with several wood tables and chairs and a black and white TV set. Toilet and shower facilities are also located in the basement. A colour TV is installed in one of the rooms on the main floor.

#### Management

To ensure that the flophouse would be operated in as non-institutional a manner as possible, considerable care was taken in selecting a manager. After interviewing a number of applicants, Mr. Arthur Jones was hired, because he had extensive experience operating private rooming and flophouses in the east downtown area of the City. A management contract between the City of Toronto and Mr. Jones, effective for one year commencing from September 1, 1979, was approved by Council.

Mr. Jones has proved to be an excellent choice for this position. He is able to maintain good rapport with, and is sensitive to the needs of, the tenants, while keeping effective control over inappropriate behaviour.

#### Financial Analysis

#### Operating Policy

The daily, or more precisely, the nightly charge is \$2.50. The hours of operation are from 4:00 pm until 10:00 am, seven days a week. The charge is not seen as unreasonable by the tenants, one of whom noted that "for \$2.50 a night you can't lose - it's clean anyway". Another stated that you "... can't get a better deal at \$2.50 with colour TV too". Nor does the charge necessarily act as a barrier for those who wish to stay. On more than one occasion, a man has appeared at the door with less than \$2.50, been politely refused admission, and appeared half an hour later with the full amount.

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Reaction of the tenants to the hours of operation has generally been favourable. Only two complaints were made. One was based on the 4:00 pm opening time: a man stated that "when you finish work at 2:00 pm (delivering handbills) on a rainy day, you have to sit somewhere in your wet clothes before you can get in and have a shower". The other concerned the 10:00 am closing on Sunday morning during the winter: "At that time", several men stated, "there is no place to go".

Since opening in October, Mr. Jones has made a number of changes to operating policy prompted by changing conditions and the wishes of the tenants. For example, during the first few months when occupancy was low, it was expedient to admit men any time during the night. However, as all the beds are now rented quite early in the evening, admittance is restricted after midnight unless prior arrangements are made with the operator. This change is generally supported by the men, many of whom rise at 5:00 am to seek casual employment and do not wish to be disturbed by new arrivals in the early hours of the morning.

In response to the theft of towels, showers are now prohibited after 11:00 pm and in the morning. Again, this has been generally accepted by the tenants as a reasonable arrangement.

As far as alcohol is concerned, a policy has been introduced which is meant to curb disruptions due to drunken behaviour while ensuring that a tenant can enjoy a drink. Each man is allowed 12 bottles of beer or a 26 oz. bottle of liquor. Wine has been banned from the house. This is clearly an attempt to exclude a type of tenant rather than a type of beverage as the men are sensitive about being categorized with "skid row winos" although several tenants thought "many, if not the majority, (of tenants) had problems with alcohol". The consensus among the men was that having a beer in the evening was a natural part of their daily lives. As one man stated "If you work in a warehouse during the day, you like to come back, have a beer, shower with soap and a real towel and watch TV".

As was expected, one flophouse cannot readily accommodate all types of skid row men. The private flophouse operators ran a number of houses and depended upon a natural sorting process so that the chronic skid row inebriate and/or bed wetter ended up at one house while the casually employed man stayed at another. However, even in this system some men were routinely banned by individual operators.

Because the flophouse attracted a broad cross section of the skid row population, the manager has found it necessary to ban a number of men. Currently 29 men have been placed on a restricted list

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based on past unacceptable behaviour in the house or past behaviour outside the flophouse known to the manager.

When problem situations have occurred, Mr. Jones has been able to handle most of them on his own because, as he says, "a few of the men are always there to back me up". One residents said that "Art keeps a good low tone. Anyone who gets out of hand, gets the door". Another stated "Trouble-makers don't last very long". However, there have been about fifteen occasions when persuasion failed and Mr. Jones received police assistance.

#### Capital Cost of Rehabilitation

Capital funding for renovation work in the amount of \$42,700 was provided in the form of a grant from Canada Mortgage and Housing Corporation. The building was renovated to minimum standards for the permitted use conforming to the City by-laws and Ontario Building Code. Cost of renovation was kept within the Canada Mortgage and Housing Corporation grant of \$42,700. To date, the only major problem with the physical building occurred when the sewer mains had to be replaced. This was not covered by the construction contract.

#### Operating Expense and Revenue

##### Statement of Operating Expenses and Revenues for the period September 1, 1979 to April 30, 1980

<u>Description</u>	<u>Expense</u>
Labour	\$10,328
Fringe Benefits	378
Materials and Supplies	2,960
Equipment	151
Purchase of Services	6,886
Contributions, Inde	185
Taxes, etc.	
Sub-total	\$20,888
Revenue	(13,006)
Net City Contribution	<u>\$ 7,882</u>

It was originally estimated that the City would have to contribute \$10,500 for the first five months of operation at 349 George Street. After seven months of operation the actual City contribution has been \$7,882.

Is the flophouse meeting a valid need?

On the basis of information gathered during the first six months of operation, there appears to be a large number of men in the City who have housing problems which the flophouse is alleviating. During this period, 476 different men were accommodated. The majority, 331 (69.5%) stayed seven or fewer nights; 77 (16.2%) stayed between eight and 21 nights; and the other 68 (14.3%) stayed 50 or more nights with one man staying a total of 158 nights (see Graph 1).

In each of the last few months, between 50 and 60 men have used the flophouse for the first time. This suggests that there is a potentially large pool of men in the City who occasionally require this type of accommodation or who have only recently heard about the facility. In addition, there is a group of men who have been regular, although not continuous, tenants over a number of months.

The pattern of residence provides some insights into the nature of the demand for flophouse beds. First, the large number of men staying one night suggests a strong demand as a consequence of short-term housing emergencies. Second, the men staying two or more nights demonstrate an irregular usage pattern. Only 35% of the men who stayed a total of between two and seven nights did so on consecutive nights. Of the 145 men who stayed more than eight nights, only 21 or 14% were in continuous residence. This group can be divided into those who were absent for a few nights during an extended period of use and those who stayed a few nights on a number of separate occasions.

The pattern of payment also suggests that the users of the flophouse have both limited and irregular incomes. The great majority of those staying two or more consecutive nights paid by the night. Those who paid in advance did so for only two or three nights regardless of the fact that their stays were, in some cases, substantially longer. There were only a few instances where a man paid a week or more in advance.

Graph 2 indicates that after the first few months, the flophouse has been operating at virtually full capacity every night. In fact, most days the beds are rented by 6:00 pm - two hours after the house opens for the night. The increase in the monthly occupancy rates since October suggests that, although information about the house's existence took several months to spread throughout the potential user population, the present demand for accommodation now clearly exceeds the supply.



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How does the operation of the City's flophouse affect other resources and services for the skid row population?

In general, the flophouse complements the other skid row facilities and services in the City. It provides an alternative type of accommodation to what is otherwise available to the City's population of single displaced men. It fills a gap between hostel and good rooming accommodation. For those who are completely without resources, there is free hostel accommodation available. For those whose behaviour is so objectionable and disruptive that private or church sponsored accommodation is routinely denied them, there is Metro's Department of Social Services which operates Toronto's Men's Hostel/Seaton House and acts as an agency of "last resort".

The unique character of 349 George Street was especially appreciated by the men who have stayed, at one time or another, in hostels and missions. However, although they voiced complaints about various physical and management features of these hostels and missions, they were generally enthusiastic about the food and clothing services they provide. It was frequently pointed out that one could, without cost, have four good meals a day. Similarly, free or inexpensive clothes of good quality were readily available.

What do the men think about the flophouse and other available accommodation?

The following are the comments of a number of men staying at the flophouse when asked what they thought of it:

"Of all the facilities in Toronto, it's the best facility for working men who are not in a position to have a bachelor apartment."

"Better than a rag-tag room with four walls. Here there are friends to talk to, TV to watch and Art (Jones) to talk to."

"Communal living is good - not lonely like in a room. Many tenants are hostile but you get to know people here."

"This place is clean - quiet after 11:00 so people who go to work and get up at 4:00 can sleep."

"I like it - it's clean."

"It's better than hostels - more freedom."

"Mainly okay. No problems ... I would prefer a room for privacy and peace of mind."

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"Pretty decent place to go."

The men's remarks not only indicate the flophouse's popularity but also points out the shortage of affordable rooms and the existence of substandard conditions. For example:

"I don't want to pay \$30 to \$35 for a place full of bugs."

"If I could afford it, I would prefer a room or an apartment."

"It's hard to find a room."

"Rooms are hard to get - not less than \$35."

"They're asking top dollar \$30-\$35. It's not worth it. You don't even get clean sheets."

"One place I stayed was \$37.50 and it was mobile with cockroaches."

Does the flophouse play a stabilizing role on the lives of the tenants?

This is an extremely difficult question to answer. In conversation with the men there was evidence that it provided a "stopping place" in both a physical and social sense. Some of the men were passing through or had recently arrived in the City. One 50-year old man from Vancouver had a temporary job in a warehouse paying \$3.50 an hour and was planning to return to Vancouver to work as a fisherman. Another had returned to the City after working in Alberta, was temporarily employed in a Scarborough factory and, after several unsuccessful attempts to find suitable housing, was content to stay at the flophouse until he found a permanent job and was able to afford his own place.

A young man who had stayed for several weeks said he had been living in a basement apartment in a suburban house when things turned "bad" and he lost his job. He had never stayed at a hostel or mission and saw his present accommodation as a short-term necessity; satisfactory, but not desirable. He said he had a job as a cook lined up in the West in a month; in the meantime, he was waiting for his Income Tax Refund and getting up at 4:30 every morning to find casual jobs.

For many other men, the flophouse simply meets their needs for ongoing emergency housing. Their lives lack stability, and therefore there are regular, if intermittent, housing "emergencies". Stan, for instance, has stayed at the flophouse for a few nights on a number of occasions. His main source of income is from casual labour. His most recent stay came about

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when his brother, with whom he had been living, threw him out. Although he thought the flophouse was a "decent place", he was looking for a room of his own.

What are the tenants sources of income?

Temporary unskilled labour obtained on the street corner or through temporary employment agencies appear to be a major source of income for the men who are using the flophouse. Most of the men are out of the house early in the morning. Some are at Queen and Sherbourne at 4:30 am waiting to be hired to deliver hand bills at \$25 to \$30 a day. Others find temporary jobs through a number of private employment agencies. Wages vary but most of the jobs are unskilled and therefore are at, or not much above, the provincial minimum of \$3.00 an hour.

While some of the men have trades - for example, carpet layer, cook, drywall installer, epoxy molder - most are unskilled. Generally, the men express a strong desire to work and be independent. One man, in his early forties, and originally from Newfoundland, said he did not believe in welfare. He delivered hand bills and refused to use temporary employment agencies because he did not believe they deserved their commission. His 1979 income was \$2,200. During the summer he slept outside and was quite content staying at the flophouse over the winter.

In an attempt to determine the number of general welfare recipients using the flophouse, a Metro Social Services welfare visitor, whose territory includes 349 George Street, was interviewed. She estimated that over a six-month period, about 12 men on her caseload had stayed at the flophouse. Half went there on their own and then applied for welfare assistance while the other half were referred there by her. She saw the facility as providing accommodation for difficult "cases". However, the manager said that, with one or two exceptions, these men did not create any problems.

While General Welfare Assistance regulations require that welfare recipients have a permanent address, several Metro Social Service staff suggested that it was conceivable that men on welfare, listed as living elsewhere, were in fact staying at the flophouse. There would not, however, form a large number of flophouse residents.

**Conclusions:**

On the basis of an analysis of usage patterns, interviews with the manager, residents and social service providers as well as direct observation of the operation the following conclusions were made:

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1. In the first six months of operation the 349 George Street flophouse has provided clean, safe and inexpensive short-term emergency housing for 476 men in the City;
2. Average occupancy over the first six months has been 80%. More recently the facility has been operating at or near capacity every night;
3. The average stay has been 11 nights; although usually not continuously but intermittently over a longer period.
4. The main characteristics of the men who are using the flophouse are residential instability and low and irregular incomes from temporary employment.
5. The residents are generally very happy with the accommodation provided.
6. There continues to exist a strong and sustained demand for this type of accommodation on both a one-night and a long-term intermittent basis.

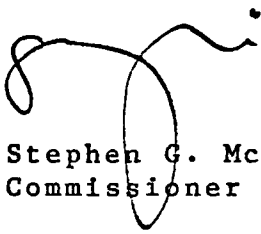
Recommendations:

1. That Council approve the continued operation of the 349 George Street flophouse for the remainder of the one year period ending August 31, 1980, as agreed to by Council on August 20, 1979.
2. That the Commissioner of Housing and the Commissioner of Planning and Development jointly report further on the continued operation of the 349 George Street flophouse beyond the one year period and on the need and possible cost of expanding the facility to include the use of the second floor.
3. That this report be submitted to Canada Mortgage and Housing Corporation to satisfy the term and conditions as set out in Clause 6 of the Letter of Agreement between the City of Toronto and Canada Mortgage and Housing Corporation as approved by Council March 13, 1978.
4. That upon receipt and approval of this report Canada Mortgage and Housing Corporation advance the remaining \$12,700 of the capital grant for the initial renovations at 349 George Street.


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5. That the Commissioner of Housing contact Canada Mortgage and Housing Corporation concerning the possibility of obtaining the additional capital funding necessary if the second floor of 349 George Street is to be used as part of this project.



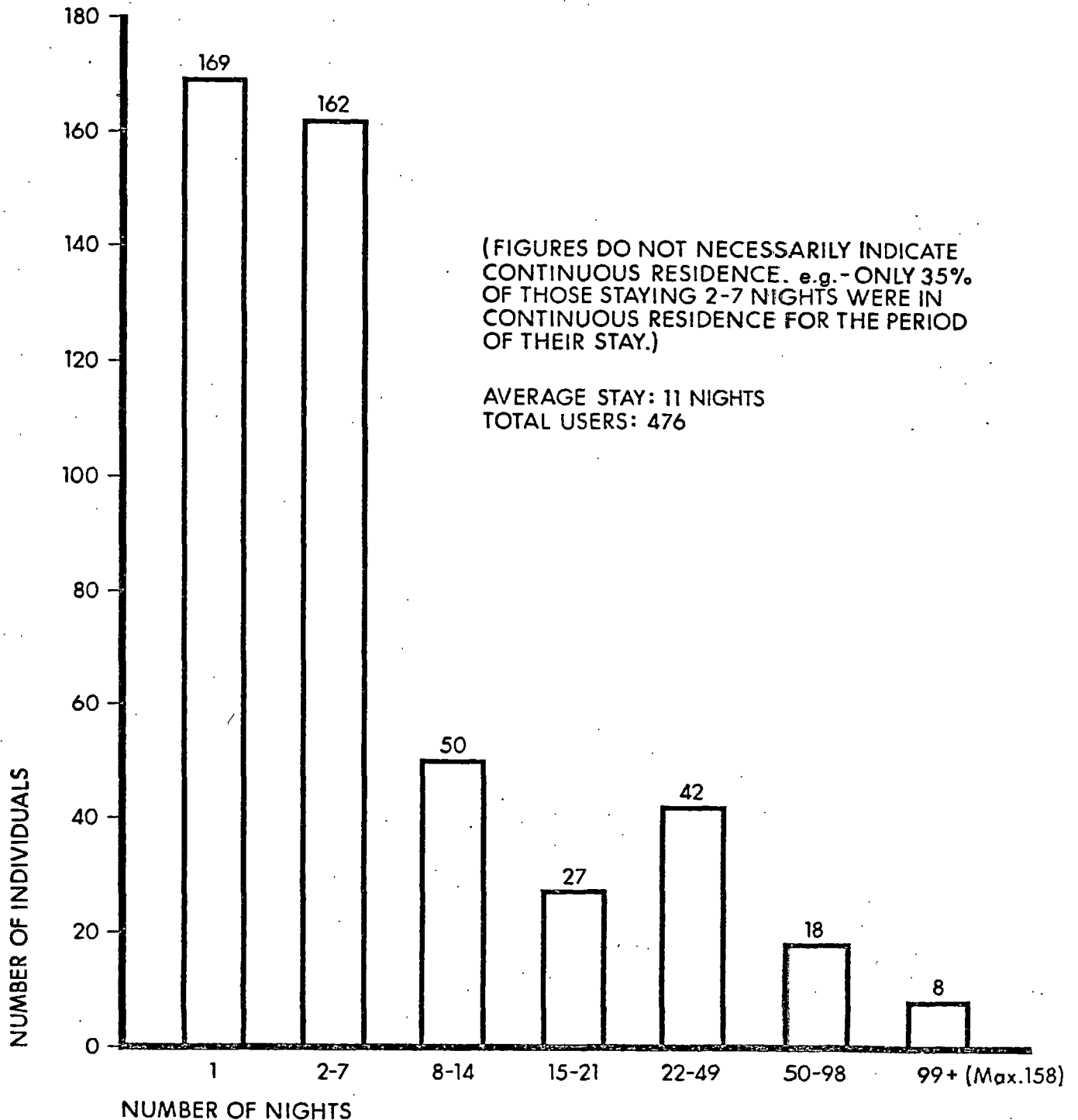
Stephen G. McLaughlin  
Commissioner of Planning and Development



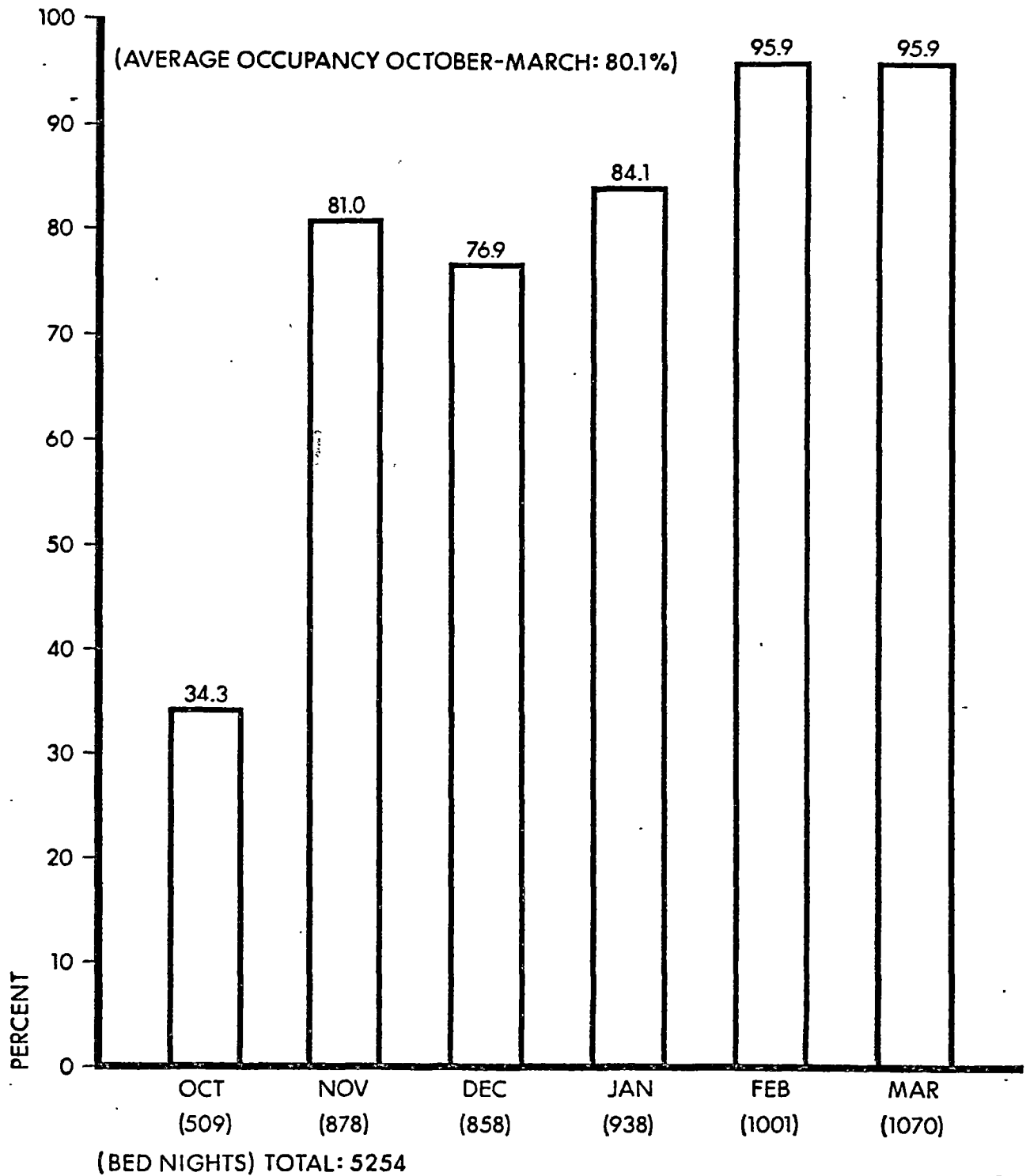
for Barry Rose  
Commissioner of Housing

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## DURATION OF STAY (6 Month Period October-March)



## MONTHLY OCCUPANCY RATES



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